

Journalizing and posting entries for accrued interest revenue and expense

Farris Company
Work Sheet
For Year Ended December 31, 20X1

ACCOUNT TITLE	TOTAL BALANCE		ADJUSTMENTS	
	DEBIT	CREDIT	DEBIT	CREDIT
Interest Receivable				1,800
Interest Payable				2,800
Interest Income		1,897.00		1,800
Interest Expense	15,480.00		2,800	

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DATE	ACCOUNT TITLE	DEBIT	CREDIT
<i>Adjusting Entries</i>			
Dec. 31	Interest Receivable	1,800	
	Interest Income		1,800
31	Interest Expense	2,800	
	Interest Payable		2,800
<i>Closing Entries</i>			
Dec. 31	Interest Income	1,897.00	
	Income Summary		1,897.00
31	Income Summary	15,760.00	
	Interest Expense		15,760.00

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DATE	ACCOUNT TITLE	DEBIT	CREDIT
<i>Reversing Entries</i>			
Jan. 1	Interest Income	1,800	
	Interest Receivable		1,800
1	Interest Payable	2,800	
	Interest Expense		2,800

CASH RECEIPTS JOURNAL

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CASH PAYMENTS JOURNAL

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24-4 MASTERY PROBLEM (concluded)

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GENERAL LEDGER

ACCOUNT Income Summary						
DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
		G15		1915.00		1915.00
Dec. 31		G15	1576.00			339.00
31						

ACCOUNT Interest Income						
DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
Dec. 31		CR1		27.50		1897.00
31		G15		2.80		1915.00
31		G15	1915.00			
Jan. 1		G16	1.80		1.80	
30		CR1		27.00		9.00

ACCOUNT Interest Expense						
DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
Dec. 31		CP19	48.50		1548.00	
31		G15	2.80		1576.00	
31		G15		1576.00		
Jan. 1		G16		2.80		2.80
Mar. 31		CP25	112.00		64.00	

ACCOUNT						
DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT

MASTERY PROBLEM (continued)

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GENERAL LEDGER

Notes Receivable

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
Nov. 1		G12	600.00			
Dec. 31		CR13		600.00		600.00

Interest Receivable

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
Dec. 31		G15	1.80			1.80
Jan. 1		G16		1.80		

Notes Payable

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
Dec. 1		CR12		2400.00		2400.00
Mar. 31		CP25	2400.00		2400.00	

Interest Payable

DATE	ITEM	POST. REF.	DEBIT	CREDIT	BALANCE	
					DEBIT	CREDIT
Dec. 31		G15		2.50		2.50
Jan. 1		G16	2.50		2.50	